

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HJR 522

March 1, 2016

SUMMARY OF BILL: Proposes amending Article II, Section 28 of the Constitution of Tennessee by prohibiting state and local sales and use tax imposed upon the retail sale of tangible personal property or services beginning July 1, 2019.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$9,100/One-Time

Assumptions:

- The Secretary of State will publish the proposed amendment.
- The one-time increase in state expenditures for publishing costs is estimated to be \$9,100 based on the cost of recent publications incurred by the Secretary of State.
- Any increase in state expenditures to prepare a copy of this resolution is estimated to be not significant.
- Based on information provided by the Department of Revenue, the recurring decrease in state sales and use tax revenue would exceed \$9,200,000,000 in FY19-20 and subsequent years.
- The recurring decrease in local sales and use tax revenue, which would consist of local option sales tax plus the state-shared portion of state sales and use tax revenue, is reasonably estimated to exceed \$3,700,000,000 in FY19-20 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/jaw

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